

COMPARISONS OF EXPENDITURES FOR EDUCATION

Key Findings: Canada, France, Germany, Japan, United Kingdom, United States

The United States ranked the highest among the six G8 countries presented in terms of expenditures per student at the combined primary and secondary level as well as the higher education level.

Two measures used to compare public and private spending on education across countries are expenditures per student (expressed in absolute terms) and total expenditures as a percent of Gross Domestic Product (GDP). The latter measure allows a comparison of expenditures within countries relative to their national wealth.

In 2000, expenditures per student varied across the G8 countries, ranging from \$5,135 (United Kingdom) to \$7,877 (United States) at the combined primary and secondary level and from \$8,363 (France) to \$20,358 (United States) for higher education (figure 3, table 3).

The United States, the wealthiest country among those reporting data (in terms of GDP per capita), ranked the highest in amounts spent per student on primary and secondary education in 2000 (table 3). Expenditures per student at the combined primary and secondary level in the United States were higher than expenditures in the other G8 countries reporting data. U.S. expenditures at this level were 23 percent higher than those in

France, the country reporting the next highest expenditure per student, and 53 percent higher than those in the United Kingdom, the country reporting the lowest expenditure per student.

The United States also ranked the highest in amounts spent per student on higher education in 2000. Expenditures per student at the postsecondary level in the United States were 143 percent higher than expenditures in France, 111 percent higher than expenditures in the United Kingdom, 87 percent higher than expenditures in Germany and Japan, and 36 percent higher than expenditures in Canada.

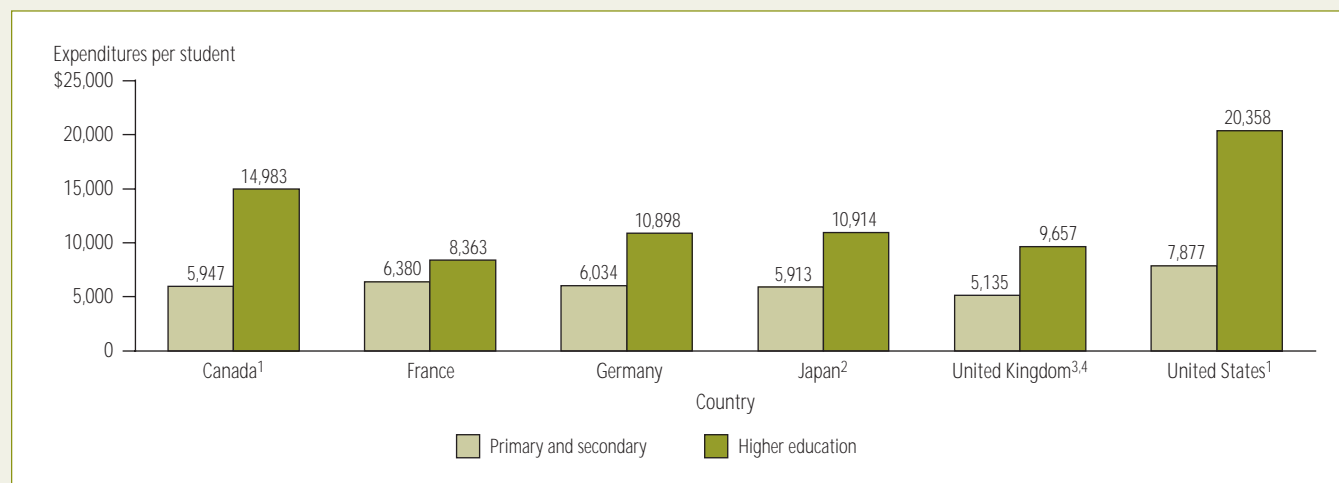
While the United States reported the highest expenditure per student for primary and secondary education among the reporting G8 countries in 2000, it did not devote the highest percentage of its GDP to the cost of education at this level (table 3). In the United States, 3.9 percent of GDP went to the cost of education at the primary and secondary level. The corresponding figures for other countries presented ranged from 3.0 percent in Japan to 4.3 percent in France. For higher education in the United States, 2.7 percent of GDP went to the cost of education, compared to the corresponding figures for other countries presented ranging from 1.0 percent in Germany and the United Kingdom to 2.6 percent in Canada.

Definitions and Methodology

Data include all institutions, public and private. Per student expenditures are calculated based on public and private full-time-equivalent (FTE) enrollment figures and current expenditures and capital outlay from both public and private sources where data are available. Purchasing Power Parity (PPP) indices are used to

convert other currencies to U.S. dollars. Within-country consumer price indices are used to adjust the PPP indices to account for inflation because the fiscal year has a different starting date in different countries.

Figure 3. Total expenditures per student in public and private institutions in U.S. dollars converted using Purchasing Power Parities (PPPs), by level of education and country: 2000



¹Postsecondary nontertiary data included in higher education for Canada and the United States.

²Postsecondary nontertiary data included in both primary and secondary and higher education for Japan.

³Postsecondary nontertiary data included in primary and secondary for the United Kingdom.

⁴The United Kingdom includes England, Northern Ireland, Scotland, and Wales.

NOTE: Education levels are defined according to the International Standard Classification of Education (ISCED). Higher education refers to ISCED level 5A (academic higher education-first stage) except where otherwise noted. For more information on ISCED levels, see the appendix. Educational expenditures are from public and private revenue sources. Within-country consumer price indices are used to adjust the PPP indices to account for inflation because the fiscal year has a different starting date in different countries. Includes all institutions, public and private.

SOURCE: Organization for Economic Cooperation and Development (OECD). (2003). *Education at a Glance: OECD Indicators 2003*; OECD Education Database, unpublished data.

Table 3. Total expenditures per student in public and private educational institutions and as a percentage of Gross Domestic Product (GDP), in U.S. dollars converted using Purchasing Power Parities (PPPs), by level of education and country: 2000

Country	Expenditures per student ¹		Expenditures as a percentage of GDP		GDP ² per capita (in equivalent U.S. dollars converted using PPPs)
	Primary and secondary	Higher education	Primary and secondary	Higher education	
Canada ³	\$5,947	\$14,983	3.6	2.6	\$28,130
France	6,380	8,363	4.3	1.1	25,090
Germany	6,034	10,898	3.3	1.0	26,139
Japan ⁴	5,913	10,914	3.0	1.1	26,011
United Kingdom ^{5,6}	5,135	9,657	3.7	1.0	24,964
United States ³	7,877	20,358	3.9	2.7	34,602

¹Per student expenditures are calculated based on public and private full-time-equivalent (FTE) enrollment figures (adjusted for the 1998–99 school year), and current expenditures and capital outlay from both public and private sources where data are available.

²GDP adjusted to national fiscal year.

³Postsecondary nontertiary data included in higher education for Canada and the United States.

⁴Postsecondary nontertiary data included in both primary and secondary and higher education for Japan.

⁵Postsecondary nontertiary data included in primary and secondary for the United Kingdom.

⁶The United Kingdom includes England, Northern Ireland, Scotland, and Wales.

NOTE: Education levels are defined according to the International Standard Classification of Education (ISCED). Higher education refers to ISCED level 5A (academic higher education-first stage). Postsecondary nontertiary refers to ISCED level 4. For more information on ISCED levels, see the appendix. Educational expenditures are from public and private revenue sources. Within-country consumer price indices are used to adjust the PPP indices to account for inflation because the fiscal year has a different starting date in different countries. Includes all institutions, public and private.

SOURCE: Organization for Economic Cooperation and Development (OECD). (2003). *Education at a Glance: OECD Indicators 2003*; OECD Education Database, unpublished data.